



iNix Technologies Holdings Berhad (665797-D)

SUMMARY OF KEY FINANCIAL INFORMATION
For The First Quarter Ended 31 October 2005

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To date	Preceding Year Corresponding Period
	31 Oct 2005 RM'000	31 Oct 2004 RM'000	31 Oct 2005 RM'000	31 Oct 2004 RM'000
1. Revenue	5,410	-	5,410	-
2. Profit before tax	1,780	(3)	1,780	(3)
3. Profit after tax and minority interest	1,780	(3)	1,780	(3)
4. Net profit for the period	1,780	(3)	1,780	(3)
5. Basic earnings per share (sen)	1.97	(150,000)	1.97	(150,000)
6. Dividends per share (sen)	-	-	-	-
		AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END	
		31 Oct 2005	31 Jul 2005	
7. Net tangible assets per share (RM)		<u>0.24</u>	<u>0.16</u>	

Remarks :

The comparative figures presented are in respect of the Company from date of incorporation on 13 September 2004 to 31 October 2004. The Company completed the acquisition of its subsidiary INIX Technologies Sdn Bhd on 17 June 2005, and was listed on the MESDAQ Market on 1 September 2005.

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iNix Technologies Holdings Berhad (665797-D)

**CONDENSED CONSOLIDATED INCOME STATEMENT
For The First Quarter Ended 31 October 2005**

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Year Quarter 31 Oct 2005 RM'000	Preceding Year Corresponding Quarter 31 Oct 2004 RM'000	Current Year To date 31 Oct 2005 RM'000	Preceding Year Corresponding Period 31 Oct 2004 RM'000
Revenue		5,410	-	5,410	-
Cost of sales		(2,449)	-	(2,449)	-
Gross profit		2,961	-	2,961	-
Selling and marketing expenses		(283)	-	(283)	-
Administrative expenses		(420)	(3)	(420)	(3)
Other operating expenses		(222)	-	(222)	-
Research and development expenses		(256)	-	(256)	-
Profit from operations		1,780	(3)	1,780	(3)
Finance costs		-	-	-	-
Profit before taxation		1,780	(3)	1,780	(3)
Taxation	B5	-	-	-	-
Profit after taxation		1,780	(3)	1,780	(3)
Basic earnings per share (sen)	B12	1.97	(150,000)	1.97	(150,000)
Diluted earnings per share (sen)	B12	1.92	(150,000)	1.92	(150,000)

Note:

The comparative figures presented are in respect of the Company from date of incorporation on 13 September 2004 to 31 October 2004. The Company completed the acquisition of its subsidiary INIX Technologies Sdn Bhd on 17 June 2005, and was listed on the MESDAQ Market on 1 September 2005.

The accompanying notes are an integral part of this statement



iNix Technologies Holdings Berhad (665797-D)

CONDENSED CONSOLIDATED BALANCE SHEET

As At 31 October 2005

(The figures have not been audited)

	Note	31 Oct 2005 RM'000	31 Oct 2004 RM'000
INTANGIBLE ASSET		750	-
PROPERTY, PLANT & EQUIPMENT	A9	1,479	-
CURRENT ASSETS			
Inventories		653	-
Trade receivables		15,939	-
Other receivables and prepayments		600	-
Cash and bank balances		4,980	*
		<u>22,172</u>	<u>-</u>
CURRENT LIABILITIES			
Trade payables		232	-
Other payables		407	-
Provision for warranties		137	-
Amount due to a shareholder		-	3
		<u>776</u>	<u>3</u>
NET CURRENT ASSETS		21,396	(3)
		<u>23,625</u>	<u>(3)</u>
FINANCED BY			
Share capital		9,500	*
Share premium		6,887	-
Reserve on consolidation		4,648	-
Retained profits		2,590	(3)
		<u>23,625</u>	<u>(3)</u>
Net Tangible Assets per share (RM)		<u>0.24</u>	<u>(1,500)</u>

* denotes RM2.00

Note:

NTA per share is arrived at based on the Group's NTA of RM22,875,000 (2005: -RM3,000) over the number of ordinary shares of 95,000,000 (2005: 2) at RM0.10 each

The accompanying notes are an integral part of this statement



iNix Technologies Holdings Berhad (665797-D)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The First Quarter Ended 31 October 2005

(The figures have not been audited)

	Share capital RM'000	Non-distributable		Distributable	Total RM'000
		Share premium RM'000	Reserve on consolidation RM'000	Retained profits RM'000	
At 1 August 2005	8,051	-	4,648	810	13,509
Issue of shares during the period	1,449	6,782	-	-	8,231
Proceeds from public issue	1,449	8,694	-	-	10,143
Listing expenses	-	(1,912)	-	-	(1,912)
Effect of share option expenses	-	105	-	-	105
Net profit for the period	-	-	-	1,780	1,780
Balance at 31 October 2005	9,500	6,887	4,648	2,590	23,625

The accompanying notes are an integral part of this statement



iNix Technologies Holdings Berhad (665797-D)

**CONDENSED CONSOLIDATED CASHFLOW STATEMENT
For The First Quarter Ended 31 October 2005**

(The figures have not been audited)

	Current Year Quarter 31 Oct 2005 RM'000	Current Year To date 31 Oct 2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,780	1,780
Adjustments for:		
Depreciation of property, plant and equipment	53	53
Amortisation of intangible asset	25	25
Provision for warranties	74	74
Allowance for doubtful debts	159	159
Share option expenses credited to share premium	105	105
Operating profit before working capital changes	<u>2,196</u>	<u>2,196</u>
(Increase) in inventories	(273)	(273)
(Increase) in trade receivables	(5,154)	(5,154)
Decrease in other receivables	199	199
(Decrease) in trade payables	(121)	(121)
(Decrease) in other payables	(61)	(61)
Net cash used operating activities	<u>(3,214)</u>	<u>(3,214)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiary company	-	-
Purchase of property, plant and equipment	(172)	(172)
Net cash used in investing activities	<u>(172)</u>	<u>(172)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from public issue of shares	10,143	10,143
Listing expenses paid	(1,912)	(1,912)
Net cash generated from financing activities	<u>8,231</u>	<u>8,231</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>4,845</u>	<u>4,845</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>135</u>	<u>135</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>4,980</u></u>	<u><u>4,980</u></u>
These comprise:		
Cash in hand	26	26
Bank balances	4,954	4,954
	<u>4,980</u>	<u>4,980</u>

* denotes RM2.00

The accompanying notes are an integral part of this statement



iNix Technologies Holdings Berhad (665797-D)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 October 2005**

A NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134: Interim Financial Reporting, and Chapter 7 Part VI of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market

The interim financial statements of the Group and of the Company are prepared based on the historical cost convention except as disclosed in the notes to this statement, and in compliance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

In compliance with the transitional provisions of FRS 2: Share-based Payment, the Company has applied this FRS to grants of shares, share options or other equity instruments that were granted after 31 December 2004 and had not yet vested at the effective date of this FRS on 1 January 2006.

Save as disclosed above, the accounting policies and methods of computation adopted by the Group in the preparation of this interim financial report are consistent with those adopted in the audited financial statements for the financial period ending 31 July 2005.

The comparative figures presented are in respect of the Company from date of incorporation on 13 September 2004 to 31 October 2004. The Company completed the acquisition of its subsidiary INIX Technologies Sdn Bhd on 17 June 2005.

A2 Audit report of preceding annual financial statements

The preceding year annual audited financial statements were not subject to any qualification.

A3 Seasonal or cyclical factors

The Group's operations are not materially affected by seasonal or cyclical changes during the current quarter under review.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

A5 Material changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which have a material effect in the current quarter under review.

A6 Debt and equity securities

Save as disclosed below, there were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury share and resale of treasury shares for the current quarter under review:

In conjunction with the listing of and quotation for the entire issued and paid-up share capital of INIX Technologies Holdings Berhad ("INIX") on the MESDAQ Market of Bursa Malaysia Securities Berhad, INIX had undertaken the following corporate proposals which were approved by the Securities Commission on 30 May 2005:



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 October 2005**

A6 Debt and equity securities (continued)

Public issue of shares

Public issue of 14,490,000 new ordinary shares of RM0.10 each in INIX comprising:-

- 2,850,000 new shares available for application by the public;
- 4,990,000 new shares to selected investors by way of private placement; and
- 6,650,000 new shares available to eligible directors, employees and business associates of INIX and its subsidiary company

The public issue shares, which opened for subscription on 29 July 2005, were oversubscribed on its closing date on 18 August 2005. The entire enlarged share capital of the Company of 95,000,000 shares were listed and quoted on the MESDAQ Market of Bursa Malaysia Securities Berhad on 1 September 2005.

Employee Share Option Scheme

Employee Share Option Scheme ("ESOS" or "the Scheme") involving the granting of options to the eligible directors and employees of the INIX Group to subscribe for shares up to 15% of INIX's issued and paid-up share capital.

The Scheme was approved by the shareholders of INIX in general meeting held on 17 June 2005 and shall be in force for a duration of 5 years commencing from 25 August 2005 being the date of full compliance with all relevant requirements of the Scheme.

On 12 September 2005, 6,000,000 share options were granted and accepted at an exercise price of RM0.40 per share pursuant to the Company's ESOS. The estimated fair value of RM0.20 per option was calculated using the Black-Scholes option pricing model with inputs into the model as follows:

Weighted average share price	RM0.44
Exercise price	RM0.40
Expected volatility	60%
Expected life	3 years
Risk free rate	3.33%
Expected dividend yield	nil

Expected volatility was determined by calculating the historical volatility of the share prices of the Company and of other companies listed on the same exchange, board and sector. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Details of the share options outstanding during the period under review are as follows:

	<u>Year To Date 31 Oct 2005</u>	
	<u>No of share options</u>	<u>Exercise price RM</u>
Outstanding at the beginning of the period	-	
Granted and accepted during the period	6,000,000	0.40
Forfeited during the period	-	
Exercised during the period	-	
Expired during the period	-	
Outstanding at the end of the period	<u>6,000,000</u>	0.40
Exercisable at the end of the period	<u>-</u>	



iNix Technologies Holdings Berhad (665797-D)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 October 2005**

A7 Dividend paid

No dividend has been paid in the current quarter under review.

A8 Segmental information

Business segments

Business segment information is not presented as the Group is primarily engaged in one business segment, which is the development and sales of integrated intelligent wireless security, automation and closed-circuit television surveillance systems.

Geographical segments

As the Group operates predominantly in Malaysia, geographical segment information is not presented other than revenue by geographical markets which is analysed as follows:

	Current Quarter RM'000	Year To Date RM'000
Asia	3,935	3,935
Europe	-	-
Africa	675	675
Australia	800	800
Revenue for the period	5,410	5,410

A9 Valuation of property, plant and equipment

There were no valuation of the property, plant and equipment in the current quarter under review.

A10 Material events subsequent to the end of the quarter

There were no material events between the end of the reporting quarter and the date of this announcement.

A11 Changes in the composition of the Group

There were no material changes in the composition of the Group for the quarter under review.

A12 Contingent liabilities

During the period, the directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have material impact on the financial position and business of the Group.

A13 Capital commitment

As at 31 October 2005, the Group has no material capital commitment in respect of property, plant and equipment.

A14 Significant related party transactions

During the period, the directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

A15 Cash and cash equivalents

	RM'000
Short-term deposits with licensed banks	-
Cash and bank balances	4,980
	4,980



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QUARTERLY REPORT ON CONSOLIDATED RESULTS For The First Quarter Ended 31 October 2005

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance

For the quarter ended 31 October 2005, the Group recorded a net profit after taxation of RM1.780 million on sales revenue of RM5.410 million. The strong performance reflects a favourable operating environment during the period under review and increased market acceptance of the Group's products and services.

B2 Variation of results against preceding quarter

	Current Quarter 31 Oct 2005 RM'000	Preceding Quarter 31 Jul 2005 RM'000
Revenue	5,410	2,350
Profit after taxation	1,780	810

The preceding quarter results are based on a consolidation of the results of INIX on company basis and the post-acquisition results (from 17 June 2005) of its subsidiary company INIX Technologies Sdn Bhd (ITSB). Restated on assumption that the Group had been in existence since the beginning of the preceding quarter, Group revenue and profit after taxation for the preceding quarter ended 31 July 2005 amounted to RM4.914 million and RM1.748 million respectively.

B3 Prospects

Barring any unforeseen significant deterioration in the current operating environment, the Directors believe that the Group's prospects for the financial year ending 31 July 2006 will remain favourable.

B4 Variance of actual profit from forecast profit

Not applicable as no profit forecast was published.

B5 Taxation

For the current quarter ended 31 October 2005, the Company has no taxable income while its subsidiary enjoyed 100% exemption of tax as a pioneer status company. The pioneer status had been granted to its subsidiary for 5 years commencing 1 December 2003 being an MSC status company, and pursuant to the benefits/incentives available, its statutory income is fully exempted from income tax.

B6 Unquoted investments and properties

There were no changes in the unquoted investments and properties of the Group during the current quarter under review.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the current quarter under review.



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 October 2005**

B8 Group's borrowings and debt securities

There were no borrowings and debt securities outstanding and/or issued during the current quarter under review.

B9 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of this announcement applicable to the Group.

B10 Material litigation

Neither the Company nor its subsidiary is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary.

B11 Dividends

No dividends have been declared in respect of the current quarter under review.

B12 Earnings per share

	Current Quarter 31 Oct 2005	Year To Date 31 Oct 2005
Profit after taxation (RM'000)	<u>1,780</u>	<u>1,780</u>
Weighted average number of ordinary shares assumed in issue ('000)	<u>90,170</u>	<u>90,170</u>
Basic earnings per share (sen)	<u>1.97</u>	<u>1.97</u>
Weighted average number of ordinary shares assumed in issue ('000)	90,170	90,170
Number of shares under option ('000)	6,000	6,000
Less: Number of shares that would have been issued at average fair value ('000)	(3,559)	(3,559)
Adjusted weighted average number of ordinary shares assumed in issue ('000)	<u>92,611</u>	<u>92,611</u>
Diluted earnings per share (sen)	<u>1.92</u>	<u>1.92</u>



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
For The First Quarter Ended 31 October 2005**

B13 Status of corporate proposals

There were no corporate proposals announced but not yet completed as at the date of this announcement.

B14 Utilisation of IPO proceeds

The status of utilisation of the proceeds raised from the public issue pursuant to the listing of the Company on Mesdaq Market of Bursa Malaysia Securities Berhad amounting to RM10.143 million is as follows :

	As approved by the Securities Commission	Utilised as at the date of this report	Balance
	RM'000	RM'000	RM'000
Research and development	2,500	256	2,244
Purchase of equipment/fixed assets	500	172	328
Advertising and promotion	1,000	111	889
Working capital	4,343	4,112	231
Estimated listing expenses	1,800	1,800 *	-
	<u>10,143</u>	<u>6,451</u>	<u>3,692</u>

Note:

* Actual listing expenses amounted to RM1.912 million. The additional expense amount of RM0.112 million was paid from the proceeds for working capital requirement.

B15 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 21 December 2005.

iNix Technologies Holdings Berhad

23 December 2005